Antero Resources

First Quarter 2020 Earnings Call Presentation

APRIL 30, 2020

Legal Disclaimer

This presentation includes "forward-looking statements." Such forward-looking statements are subject to a number of risks and uncertainties, many of which are not under AR's control. All statements, except for statements of historical fact, made in this presentation regarding activities, events or developments AR expects, believes or anticipates will or may occur in the future, such as those regarding expected results, future commodity prices, future production targets, completion of natural gas or natural gas liquids transportation projects, future earnings, future capital spending plans, improved and/or increasing capital efficiency, continued utilization of existing infrastructure, gas marketability, estimated realized natural gas, natural gas liquids and oil prices, acreage quality, access to multiple gas markets, expected drilling and development plans (including the number, type, lateral length and location of wells to be drilled, the number and type of drilling rigs and the number of wells per pad), projected well costs and cost savings initiatives, future financial position, the amount and timing of any litigation settlements or awards, future technical improvements, and future marketing and asset monetization opportunities, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All forward-looking statements speak only as of the date of this presentation. Although AR believes that the plans, intentions and expectations reflected in or suggested by the forward-looking statements are reasonable, there is no assurance that these plans, intentions or expectations will be achieved. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in such statements. Except as required by law, AR expressly disclaims any obligation to and does not intend to publicly update or revise any forward-looking statements.

AR cautions you that these forward-looking statements are subject to all of the risks and uncertainties incident to the exploration for and development, production, gathering and sale of natural gas, NGLs and oil, most of which are difficult to predict and many of which are beyond AR's control. These risks include, but are not limited to, commodity price volatility, inflation, lack of availability of drilling and production equipment and services, environmental risks, drilling and other operating risks, regulatory changes, the uncertainty inherent in estimating natural gas and oil reserves and in projecting future rates of production, cash flow and access to capital, the timing of development expenditures, impacts of world health events, including the COVID-19 pandemic, potential shut-ins of production due to lack of downstream demand or storage capacity, and the other risks described under the heading "Item 1A. Risk Factors" in AR's Annual Report on Form 10-K for the year ended December 31, 2019 and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

This presentation also includes Free Cash Flow, which is a financial measure that is not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Please see Antero Definitions "Antero Non-GAAP Measures" for the definition of this measure as well as certain additional information regarding this measure.

Antero Resources Corporation is denoted as "AR" in the presentation and Antero Midstream Corporation is denoted as "AM", which are their respective New York Stock Exchange ticker symbols.

Cost Reduction Momentum

Drilling and completion efficiencies and midstream cost savings result in approximately $600 million of savings in 2020 compared to AR's 2019 initial budget

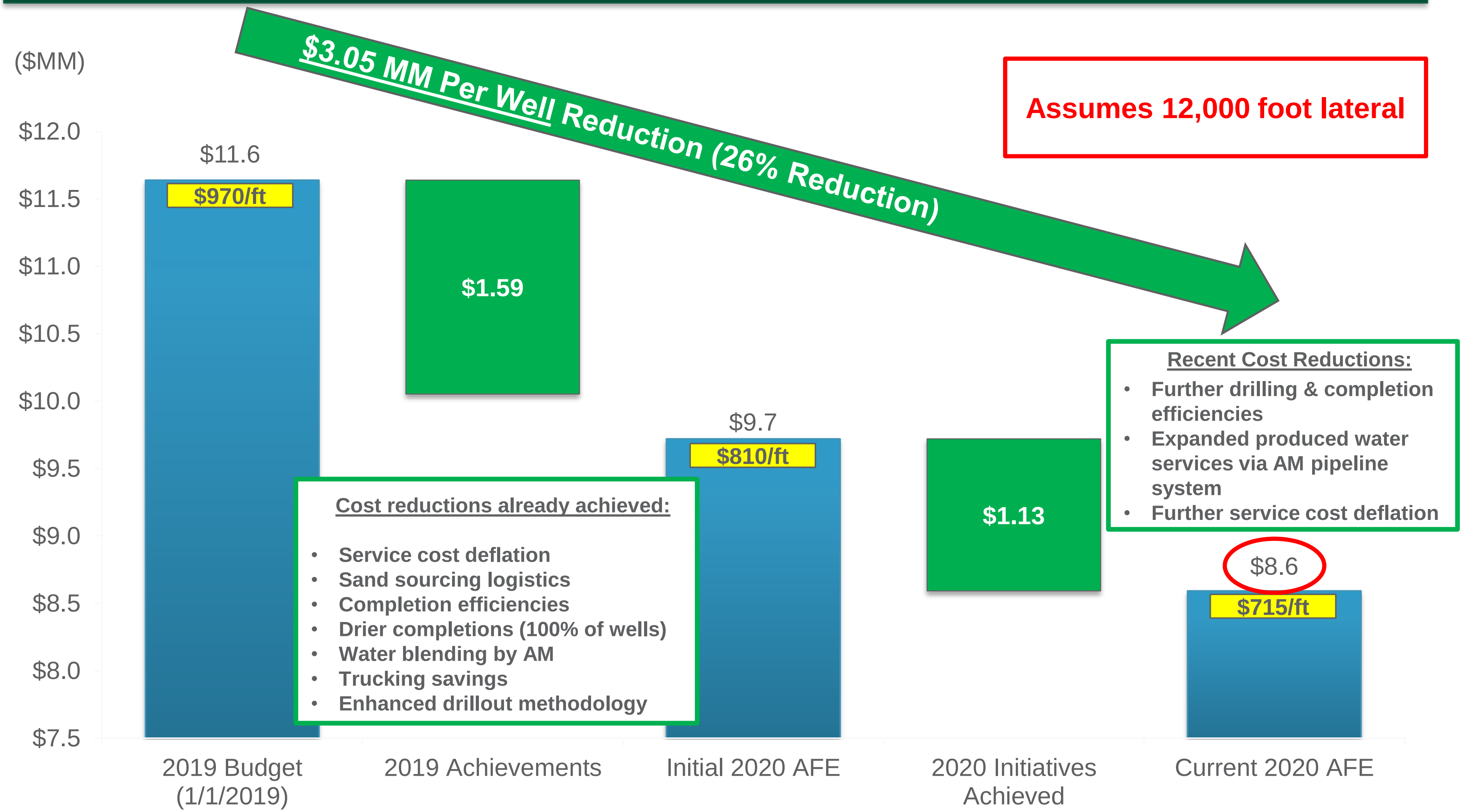
Cost Savings Update	2020 Savings [1]
Well Cost Reduction Progress	
• D&C of $715/lateral foot, a 26% reduction from $970/ft at the beginning of 2019 • $750 MM revised D&C capital budget for 2020, a ~$400 MM reduction from the initial budget and 41% below 2019, with no change to production guidance	**$320 MM** ($970/ft - $715/ft) x 12,000' = $3.05 MM $3.05 MM per well x 105 wells = $320 MM
Water Savings Driving LOE Lower	+
• 1Q20 represented a 33% reduction from 2019 • Expect to save $74 MM in 2020 as a result of increased blending operations combined with reduced trucking	**$74 MM** ~50% reduction from 2019
GP&T and Net Marketing Expense Reduction	+
• $80 MM of midstream fee reductions in 2020 with Antero Midstream and other third party midstream providers • Targeting $100 MM reduction in 2020 net marketing expense [1]	**$180 MM**
G&A Cost Reduction	+
• 18% reduction by mid-2020 due to headcount reductions in 2019, natural employee attrition and a reduction across the board in expenses	**$24 MM**
Grand Total Cost Reset for 2020 =	**~$600 MM**

Note: Cost reductions are based on 2020 guidance vs original 2019 guidance
1) Based on midpoint 2020 guidance.

Marcellus Well Cost Reductions

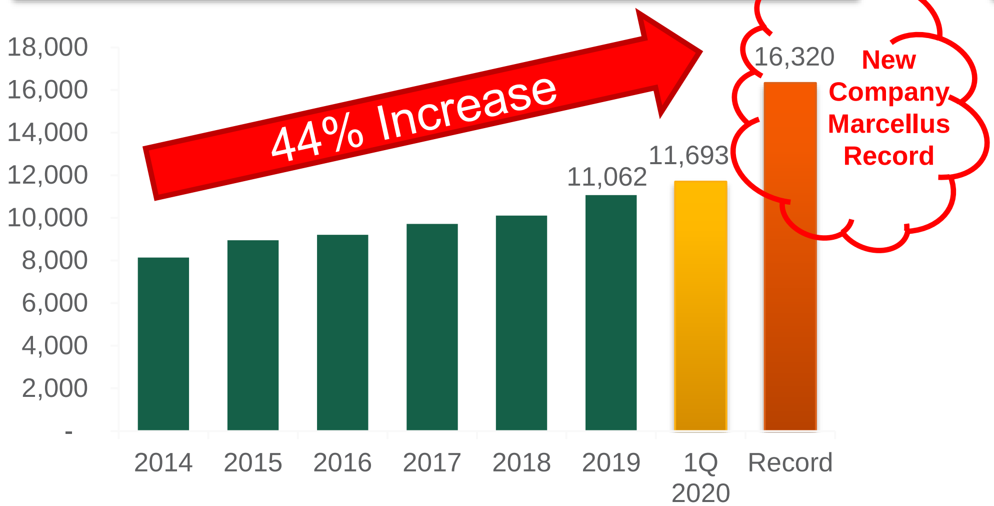
- **Significant Reduction in Well Costs already "in-hand"**
  - Reduced well costs by ~26% ($3.05 million per well)

Marcellus Well Cost Reductions (January 2019 AFE to Current 2020)

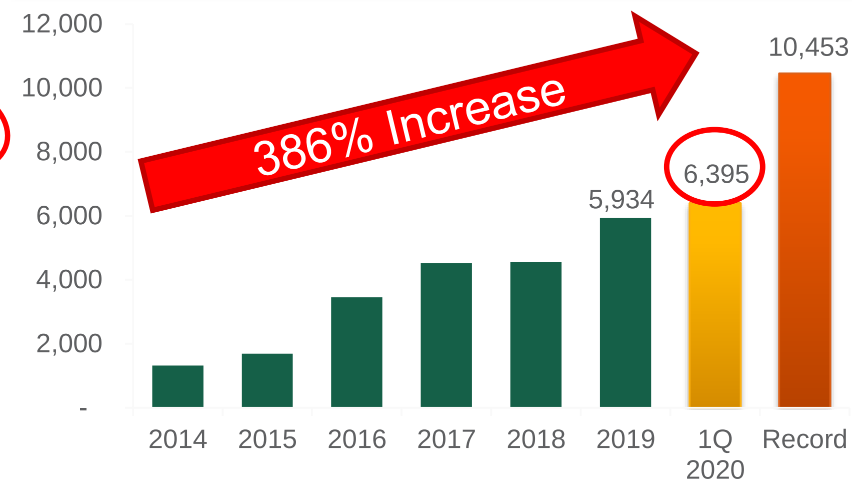


Marcellus Drilling and Completion Efficiencies Continue

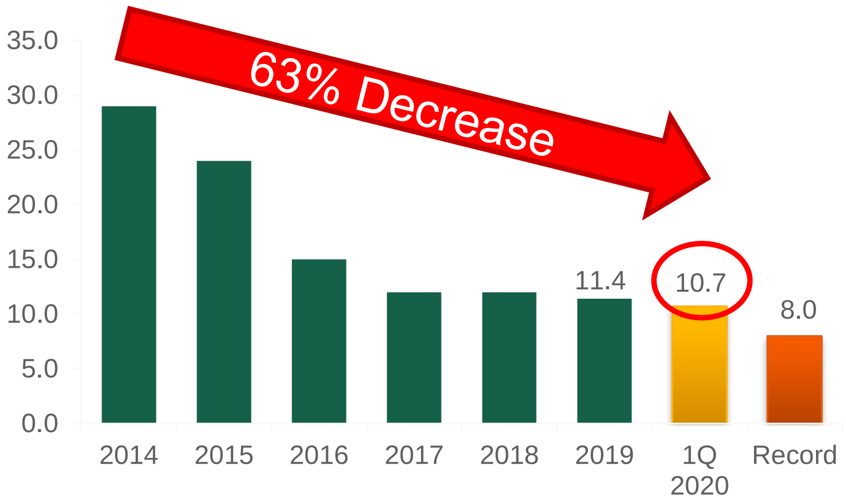
Average Drilled Lateral Feet per Well



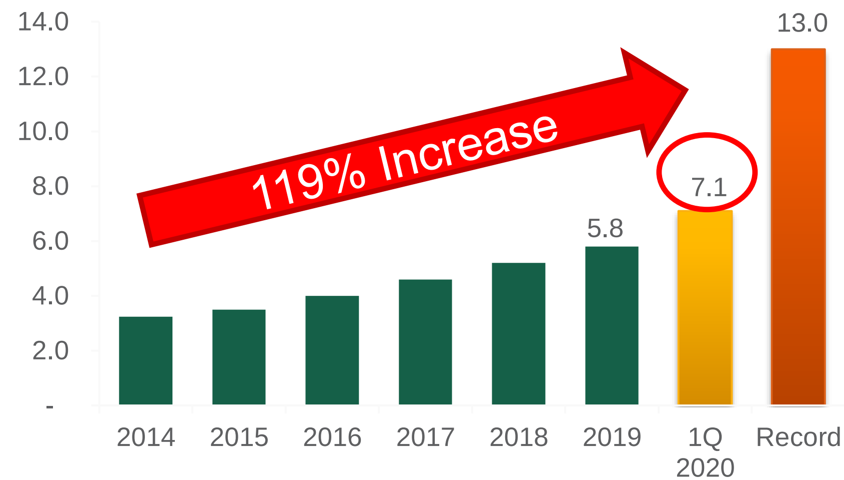
Lateral Drilling Feet per Day



Drilling Days – Spud to Spud



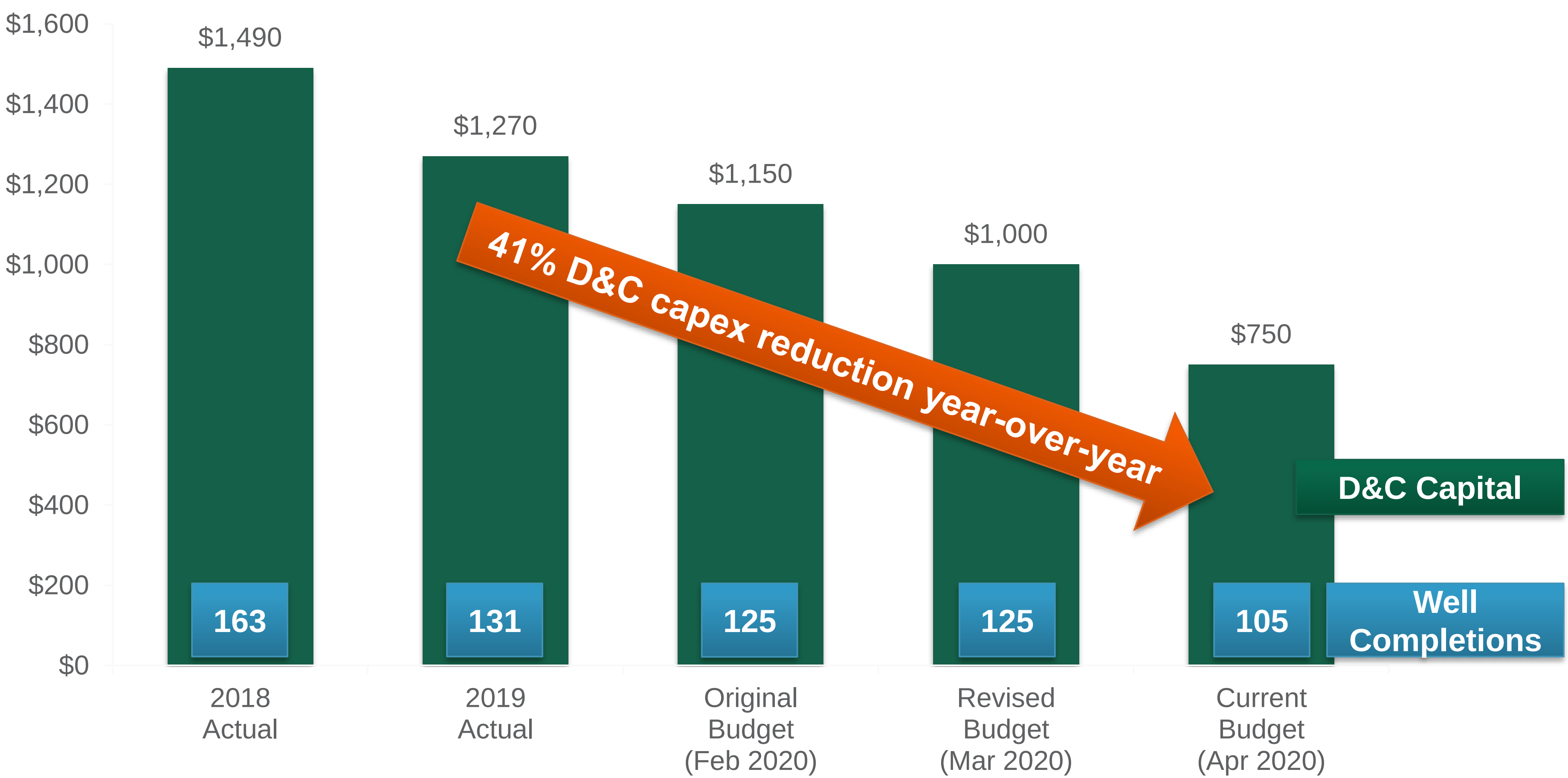
Completion Stages per Day



Note: Percentage increase and decrease arrows represent change in Marcellus data from 2014 through 2020 year to date through April 24th.

Through drilling and completion efficiencies, midstream cost savings, service cost deflation and deferral of completions Antero has been able to reduce its D&C capex budget by 41% year-over-year

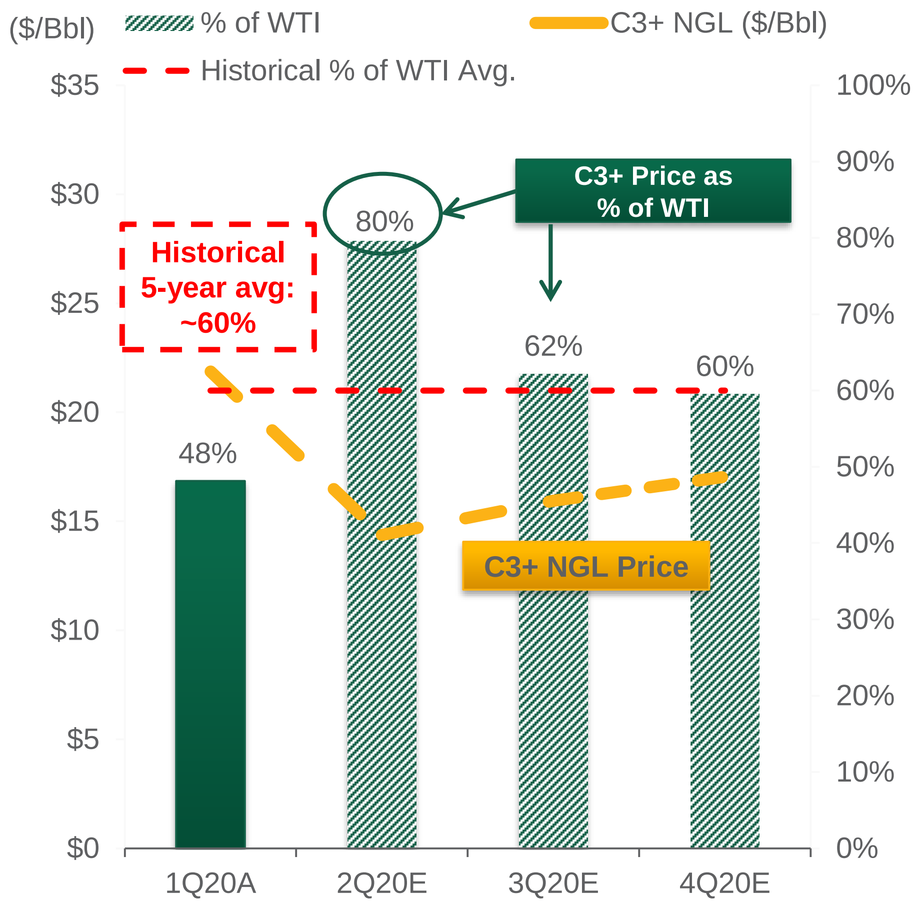
Antero D&C Capex ($MM)



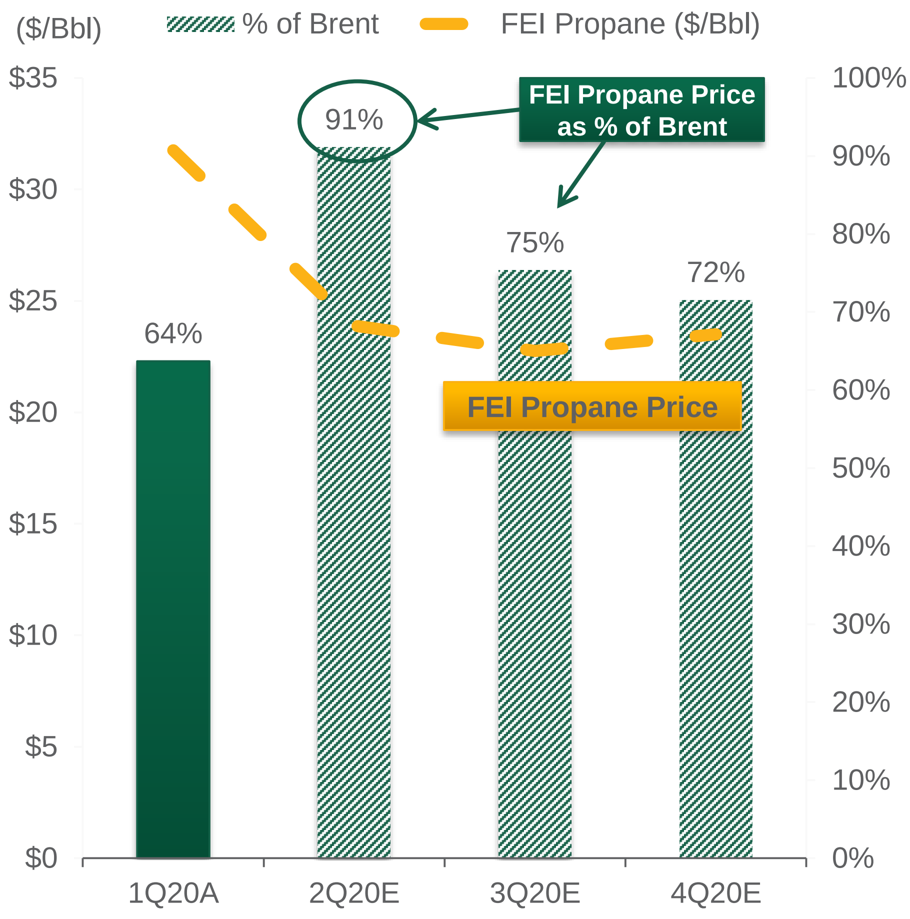
NGL Price Recovery Expected

Domestic and international LPG prices are improving on a relative basis to crude oil, driven by inelastic global demand from petrochemicals and res/comm

C3+ NGL Prices & % of WTI [1]



FEI Propane Prices & % of Brent

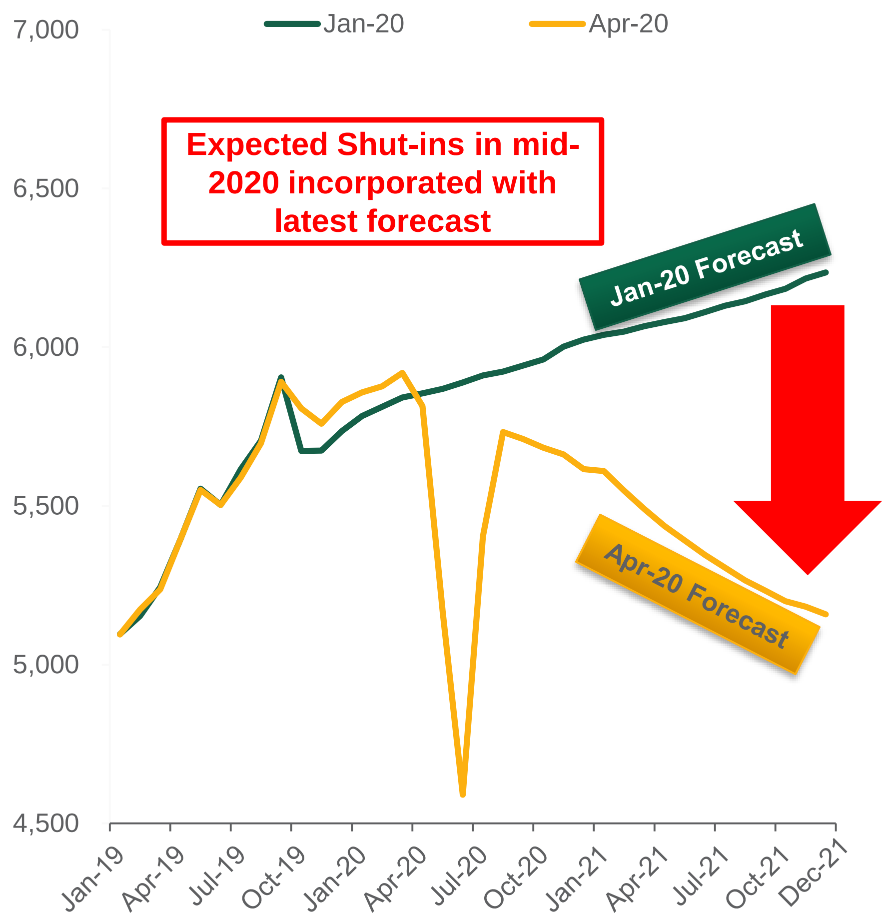


Source: ICEdata Mont Belvieu strip pricing as of 4/24/2020

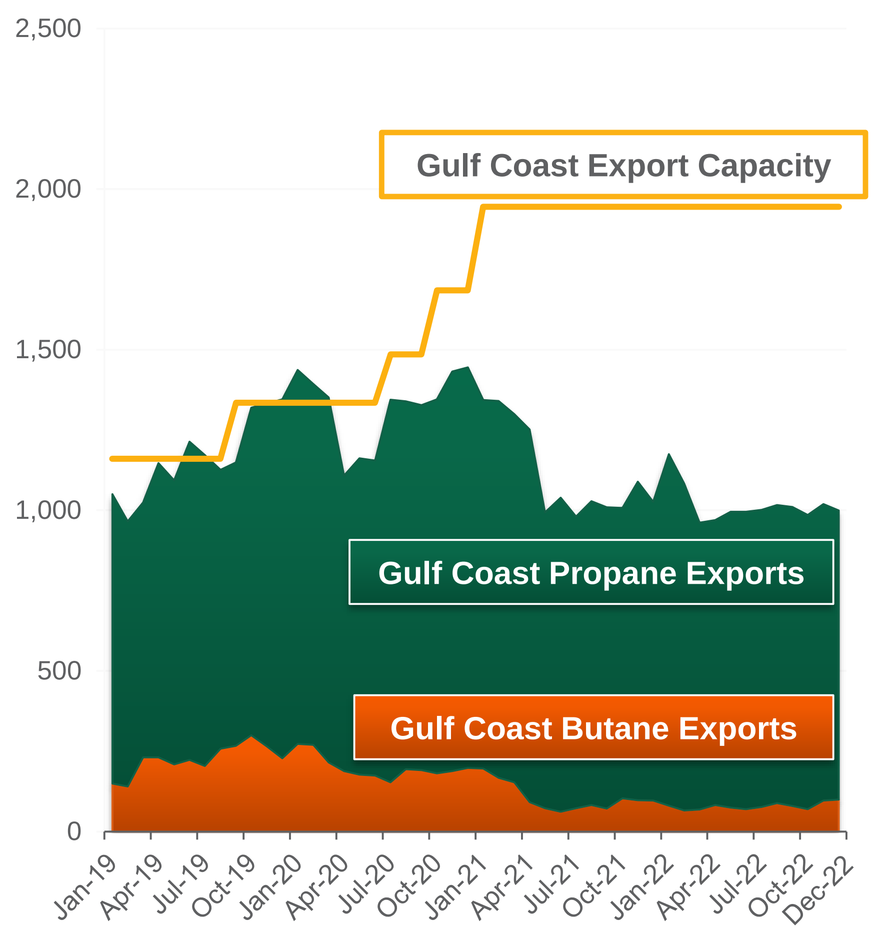
1) Based on Antero C3+ NGL component barrel consists of 56% C3 (propane), 10% isobutane (Ic4), 17% normal butane (Nc4) and 17% natural gasoline (C5+).

Oil prices are expected to have an even more pronounced impact on NGL supply where two thirds of the supply comes from oil shale plays

Wellhead NGL Production Forecast (MBbl/d)



LPG Export Capacity



Note: Represents Platts Analytics data as of April 24, 2020.
1) Based on Baker Hughes rig data.

NGL and Natural Gas Macro Momentum

- **Natural gas and C3+ NGL prices should strengthen over the coming quarters as demand should remain resilient while supply will decline (assuming current oil price strip)**
  - **Unlike oil and the resulting transportation fuels where demand destruction from the pandemic may last for years**

U.S. Natural Gas

Supply

- Near-term potential 6 to 7 Bcf/d decline due to oil shut-ins
- Longer-term 5.5 Bcf/d reduction by YE 2020 and 8.5 Bcf/d aggregate reduction by YE 2021 due to decline in associated gas (Permian, Eagle Ford, SCOOP/STACK)
- Flat production from gas producers who will stick to capital discipline

Demand

- Near-term and medium-term 2 to 3 Bcf/d decline due to pandemic
- 2 to 3 Bcf/d decline in LNG exports over summer of 2020 due to cargo cancellations

Outlook for Natural Gas

- Significant associated gas declines with limited demand destruction

U.S. NGLs

Supply

- "Associated NGLs" in the U.S. oil shale plays comprise ~67% of U.S. NGL production and will decline with reduced activity
- Associated NGLs from OPEC oil production declining due to OPEC+ supply cut

Demand

- Resilient domestic and international demand from petrochem and res/comm
- Asian economies beginning to grow again
- China tariff lifted

Outlook for NGLs

- Associated NGL supply decline is even more pronounced than gas while international demand is stable
- Expect Mont Belvieu pricing to tighten relative to international pricing

Sources: April EIA Short Term Energy Outlook estimates. S&P Global Platts estimates.

Since March 6th, total oil and natural gas rigs have declined by 320, or 42%

U.S. Oil & Gas Drilling Rig Count Since 3/6/2020

	3/6/2020	4/24/2020	Change Since 3/6/20 Rigs	Change Since 3/6/20 %	Current Dry Gas Production Bcf/d (1)	Current NGL Production MBbls/d (2)
Oil Focused						
Permian	429	262	(167)	(39%)	11.4	1,863
Eagle Ford	79	35	(44)	(56%)	4.9	693
Bakken	52	32	(20)	(38%)	1.8	523
DJ Niobrara	28	11	(17)	(61%)	2.4	477
SCOOP/STACK	41	19	(22)	(54%)	3.5	414
Total	***629***	***359***	***(270)***	***(43%)***	***23.9***	***3,970***
Appalachia/Haynesville						
Marcellus	32	27	(5)	(16%)	25.9	774
Haynesville	41	34	(7)	(17%)	12.6	121
Utica	14	13	(1)	(7%)	6.1	37
Total	***87***	***74***	***(13)***	***(15%)***	***44.7***	***932***
Other	**50**	**13**	**(37)**	**(74%)**	**23.7**	**1,015**
Total U.S.	**766**	**446**	**(320)**	**(42%)**	**92.2**	**5,917**

26% of U.S. dry gas production

67% of U.S. NGL production

48% of U.S. dry gas production

16% of U.S. NGL production

Rig reduction led by oil focused areas with a 270, or 43% rig reduction since March 6th

Associated gas and NGLs, representing 26% and 67% of the total U.S. gas and NGL production, respectively, likely to decline due to the recent collapse in oil prices

Source: Baker Hughes and S&P Global Platts.

1) Current dry gas production represents Platts production as of 4/27/2020. Other production represents Platts' "Other US Production" + offshore production.

2) NGL production represents Platts monthly average C2+ NGL estimate for March 2020. Estimate as of 4/27/2020. Assumes ~2.7 MMBbl/d of ethane, or 46% of total C2+ NGL forecast.

Significant Reduction in Completion Crews

Since March 6th, total oil and natural gas completion crews have declined by 232, or 73%

U.S. Oil & Gas Drilling Completion Crew Count Since 3/6/2020

	3/6/2020	4/24/2020	Change Since 3/6/20 Completion Crews	Change Since 3/6/20 %	Current Dry Gas Production Bcf/d (1)	Current NGL Production MBbls/d (2)
Oil Focused						
Permian	125	50	(75)	(60%)	11.4	1,863
Eagle Ford	44	9	(35)	(80%)	4.9	693
Bakken	31	6	(25)	(81%)	1.8	523
DJ Niobrara	19	3	(16)	(84%)	2.4	477
SCOOP/STACK	28	7	(21)	(75%)	3.5	414
Total	***247***	***75***	***(172)***	***(70%)***	***23.9***	***3,970***
Appalachia/Haynesville						
Appalachia	26	6	(20)	(77%)	32.0	811
Haynesville	18	3	(15)	(83%)	12.6	121
Total	***44***	***9***	***(35)***	***(80%)***	***44.7***	***932***
Other	**26**	**1**	**(25)**	**(96%)**	**23.7**	**1,015**
Total U.S.	**317**	**85**	**(232)**	**(73%)**	**92.2**	**5,917**

26% of U.S. dry gas production

67% of U.S. NGL production

48% of U.S. dry gas production

16% of U.S. NGL production

Completion crew reduction led by oil focused areas with a 172, or 70% crew reduction since March 6th

Associated gas and NGLs, representing 26% and 67% of the total U.S. gas and NGL production, respectively, likely to decline due to the recent collapse in oil prices

Source: Primary Vision and S&P Global Platts.

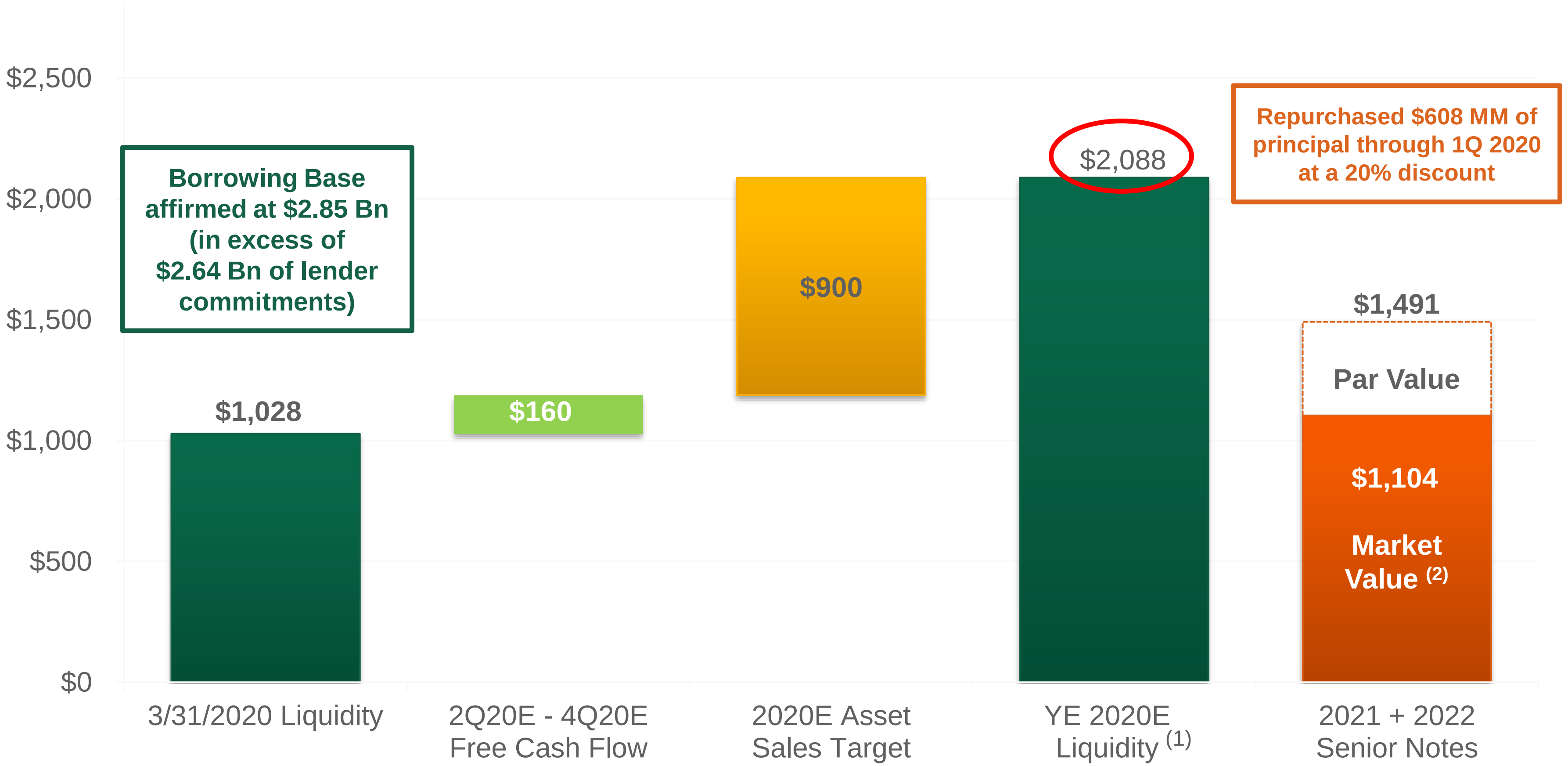
1) *Current dry gas production represents Platts production as of 4/27/2020. Other production represents Platts' "Other US Production" + offshore production.*

2) *NGL production represents Platts monthly average C2+ NGL estimate for March 2020. Estimate as of 4/27/2020. Assumes ~2.7 MMBbl/d of ethane, or 46% of total C2+ NGL forecast.*

Substantial Liquidity Enhancements at AR

Antero Resources plans to have substantial capacity to address its November 2021 and December 2022 bond maturities through asset sales and cost and activity reductions

AR 2020 Liquidity Outlook ($MM)



Note: Liquidity represents borrowing availability under AR's credit facility based on $2.64 Bn of lender commitments, $730 million of letters of credit and $882 million of borrowings as of 03/31/2020. Free Cash Flow is a non-GAAP term. Represents Cash Flow from Operations, less Drilling and Completion capital and leasehold capital. Includes AM cash dividends payable to AR, plus the $125 million earnout payment expected from AM associated with the water drop down transaction that occurred in 2015. 2Q – 4Q 2020E Free Cash Flow estimate excludes 1Q 2020 Free Cash Flow of ~$15 million.

1) *Forecasted year-end 2020 liquidity assumes no change in bank credit facility.*
2) *Market value based on bond pricing as of 4/29/2020 of $85 for the senior notes due in 2021 and $63.50 for the senior notes due in 2022.*

Asset Monetization Opportunity Set

AR has multiple assets that can be monetized in 2020 to reduce debt, including producing properties, undeveloped leasehold, overriding royalty, minerals, hedges and midstream ownership

Asset Monetization Opportunity Set
Targeting $650 MM to $900 MM

E&P Assets

Land / PDP

- 541,000 net acres in Appalachia
- 84% NRI
- 19 Tcfe of Proved Reserves
- 3.4 Bcfe/d of net production (1Q20)
- VPPs

Minerals

- ~5,000 net mineral acres
- High NRI enables carveout of overriding royalty interest (ORRI)
- Highest realized prices in Appalachia due to FT and liquids

Financial / Midstream Assets

Hedge Portfolio

- ~1.8 Tcfe of natural gas hedges with a current hedge value of ~$825 MM (1)
- 8.3 MMBbls of crude oil hedges with a current value of ~$240 MM (1)
- 14.8 MMBbls of propane & pentane hedges with a current value of ~$30 MM (1)

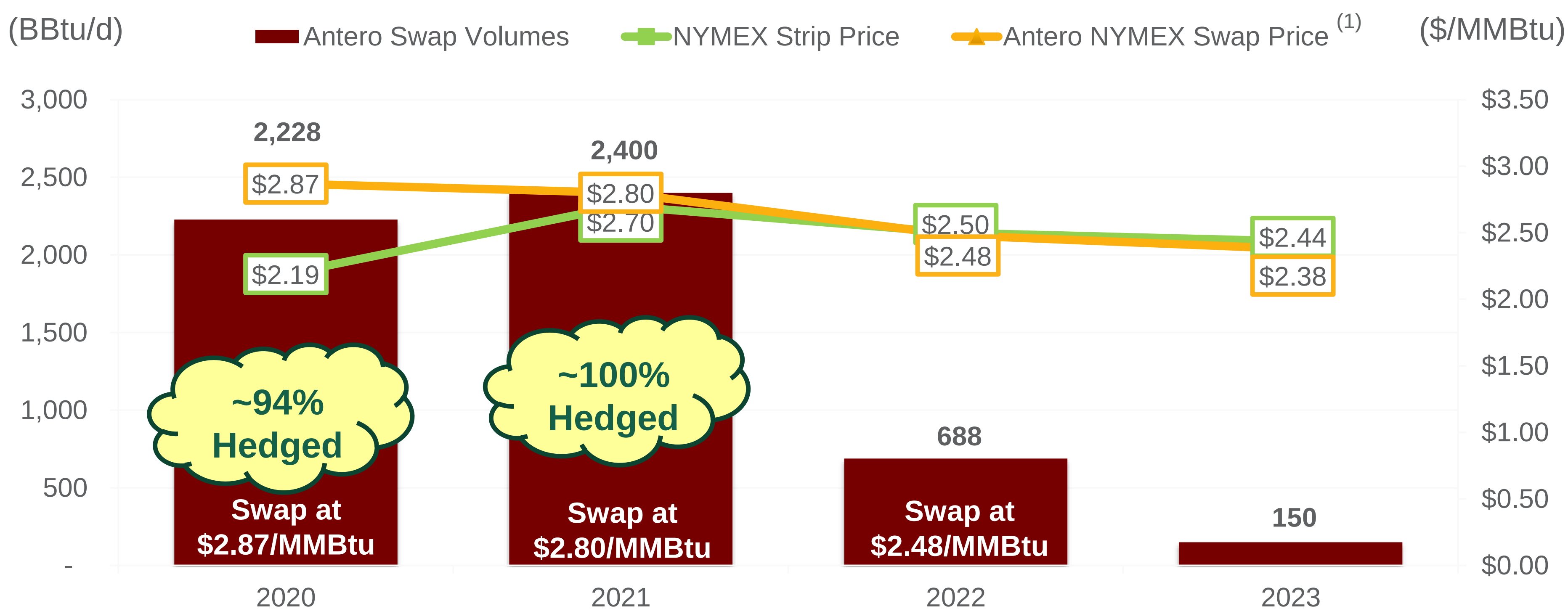
AM Ownership

- Current market value of $675 MM (2)
- Divested $100 MM in December 2019
- AM had ~$150 MM remaining under its share repurchase program as of 3/31/20

1) Based on hedge position and strip pricing as of 3/31/2020.
2) Based on AM share price of $4.85/share as of 4/27/2020.

AR continued its consistent hedging program during 1Q20, adding 688 MMBtu/d to its 2022 hedge position (previously unhedged) at a price of $2.48/MMBtu

Antero Natural Gas Hedge Profile



~$825 MM Forecasted Hedge Value [1]

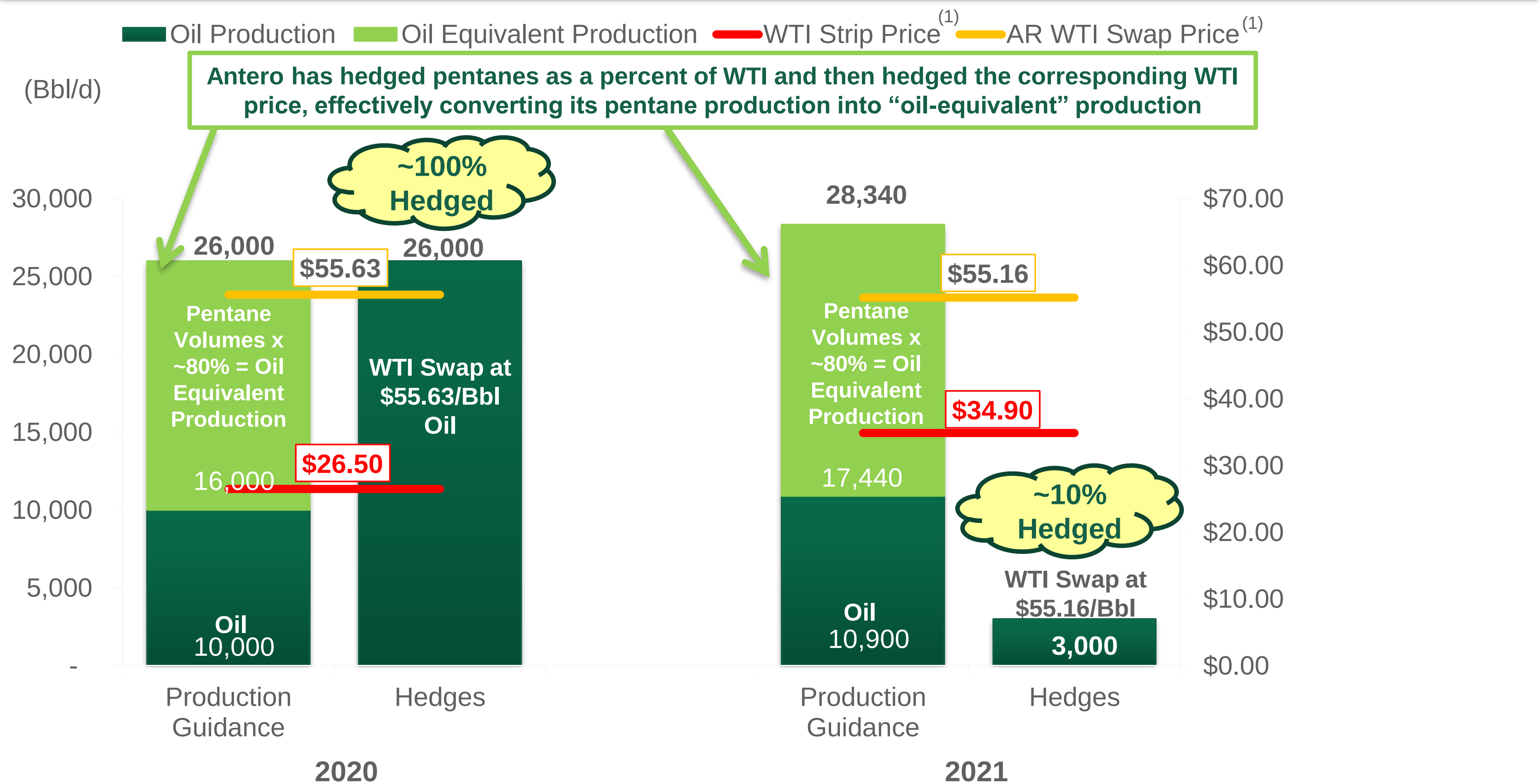
Note: Percentage hedged represents percent of expected natural gas production hedged based on natural gas production guidance of 2.375 Bcf/d in 2020.

1) Strip pricing and hedge position as of 3/31/2020 (only for natural gas hedges - excludes liquids).

Significant Oil Hedge Position

AR has hedged ~100% of expected oil and "oil-equivalent" pentane production in 2020 at $55.63/Bbl and 10% of oil and oil equivalent production in 2021 at $55.16/Bbl

Antero Oil and Pentane (C5) Hedge Profile



~$240 MM Forecasted Hedge Value (1)

Note: Percentage hedged represents percent of expected oil production hedged based on 2020 production guidance and flat in 2021.
1) Based on hedge position and strip pricing as of 3/31/2020.

Producer resiliency is a key attribute for a sustainable development plan:

Cost Reduction Initiatives	AR has targeted ~$600 MM in reductions to 2020 capital and operating expenses
Asset Sale Initiatives	Substantial asset monetization optionality including land, minerals, hedge portfolio and AM ownership
World Class Hedge Book	~94% and ~100% of projected natural gas production hedged in 2020 and 2021 at $2.87 and $2.80/MMBtu, respectively (1)
Free Cash Flow	2020 D&C capital of $750 MM with $175 MM in projected Free Cash Flow (2)
Robust Liquidity	Ample liquidity of $1.0 B (3) to address the 2021s and including asset sales, to address 2022s

The AR business model delivers multiple ways to "Win"

(1) *Percentage hedged represents percent of expected natural gas production hedged based on natural gas production guidance of 2.375 Bcf/d in 2020 and flat in 2021.*
(2) *Based on strip pricing as of 4/24/2020. See appendix for Free Cash Flow definition.*
(3) *Liquidity represents borrowing availability under AR's credit facility based on $2.64 Bn of credit commitments, $730 million of letters of credit and $882 million of borrowings as of 3/31/20.*

Appendix

MPLX Hopedale, OH Fractionation Complex

2020 Capital Plan and Guidance

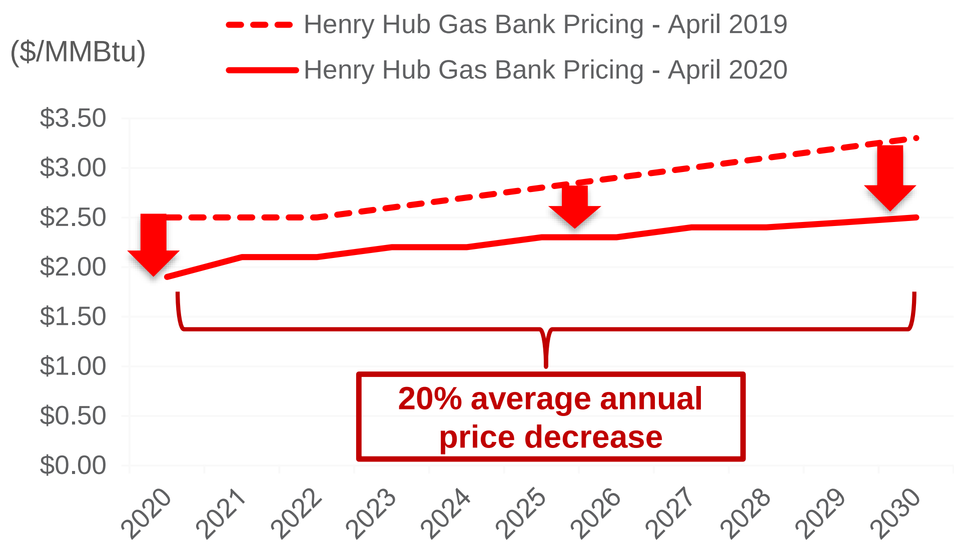
Represents Revised Guidance

	2020 Guidance Ranges
Net Production (Bcfe/d)	3.5
Net Natural Gas Production (Bcf/d)	2.375
Net Liquids Production (Bbl/d)	187,500
Natural Gas Realized Price *Expected Premium to NYMEX ($/Mcf)*	$0.00 to $0.10
C3+ NGL Realized Price - *Expected Premium to Mont Belvieu($/Gal)* (1)	$0.00 - $0.05
Oil Realized Price *Expected Differential to NYMEX ($/Bbl)*	($10) – ($12)
Cash Production Expense ($/Mcfe) (2)	$2.07 – $2.13
Net Marketing Expense ($/Mcfe)	$0.10 – $0.12
G&A Expense ($/Mcfe) *(before equity-based compensation)*	$0.08 – $0.10
D&C Capital Expenditures ($MM)	$750
Land Capital Expenditures ($MM)	$45
Average Operated Rigs, Average Completion Crews	Rigs: 1 | Completion Crews: 1
Operated Wells Completed Operated Wells Drilled	Wells Completed: 105 Wells Drilled: 95 - 100
Average Lateral Lengths, Completed Average Lateral Lengths, Drilled	Completed: 11,400 Drilled: 12,850

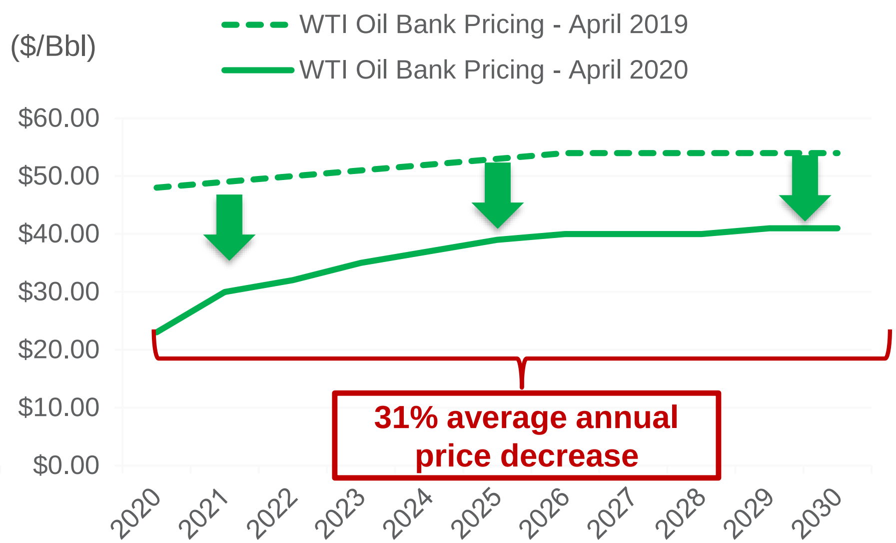
1) *Based on Antero C3+ NGL component barrel, which consists of 56% C3 (propane), 10% isobutane (Ic4), 17% normal butane (Nc4) and 17% natural gasoline (C5+).*
2) *Includes lease operating expenses, gathering, compression, processing and transportation expenses ("GP&T") and production and ad valorem taxes.*

The April 2020 bank borrowing base was calculated using significantly lower bank pricing than used in the April 2019 borrowing base

NYMEX Natural Gas Pricing ($/MMBtu)



Oil Pricing ($/Bbl)



Bank Price Deck [1]	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
2019 Natural Gas ($/MMBtu)	$2.50	$2.50	$2.50	$2.60	$2.70	$2.80	$2.90	$3.00	$3.10	$3.20	$3.30
2020 Natural Gas ($/MMBtu)	$1.90	$2.10	$2.10	$2.20	$2.20	$2.30	$2.30	$2.40	$2.40	$2.45	2.50
2020/2019 % Variance	*(24%)*	*(16%)*	*(16%)*	*(15%)*	*(19%)*	*(18%)*	*(21%)*	*(20%)*	*(23%)*	*(23%)*	*(24%)*
2019 Oil WTI ($/Bbl)	$48	$49	$50	$51	$52	$53	$54	$54	$54	$54	$54
2020 Oil WTI ($/Bbl)	$23	$30	$32	$35	$37	$39	$40	$40	$40	$41	$41
2020/2019 % Variance	*(52%)*	*(39%)*	*(36%)*	*(31%)*	*(29%)*	*(26%)*	*(26%)*	*(26%)*	*(26%)*	*(24%)*	*(24%)*

1) Based on bank pricing as of 3/31/2019 and 3/31/2020, respectively.

Antero Non-GAAP Measures

Free Cash Flow:

Free Cash Flow is a measure of financial performance not calculated under GAAP and should not be considered in isolation or as a substitute for cash flow from operating, investing, or financing activities, as an indicator of cash flow, or as a measure of liquidity. The Company defines Free Cash Flow as Cash Flow from Operations, less drilling and completion capital and leasehold capital and earnout payments.

The Company has not provided projected Cash Flow from Operations or reconciliations of Free Cash Flow to projected Cash Flow from Operations, the most comparable financial measure calculated in accordance with GAAP. The Company is unable to project Cash Flow from Operations for any future period because this metric includes the impact of changes in operating assets and liabilities related to the timing of cash receipts and disbursements that may not relate to the period in which the operating activities occurred. The Company is unable to project these timing differences with any reasonable degree of accuracy without unreasonable efforts. However, the Company is able to forecast 2020 drilling and completion capital of $750 million and leasehold capital of $45 million. Targeted 2020 Free Cash Flow also includes the $125 million earnout payment received from Antero Midstream in January 2020 associated with the water drop down transaction that occurred in 2015. Targeted 2020 Free Cash Flow is based on current strip pricing and assumes that dividends from Antero Midstream remain flat for the year for aggregate annual dividends from Antero Midstream of $171 million in 2020. Today, Antero Midstream announced that in light of the uncertain market conditions impacting the energy industry, Antero Midstream will continue to evaluate its capital budget as well as the appropriate amount of capital that is returned to shareholders through dividends and share repurchases in order to maintain its financial profile.

Free Cash Flow is a useful indicator of the Company's ability to internally fund its activities and to service or incur additional debt. There are significant limitations to using Free Cash Flow as a measure of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect the Company's net income, the lack of comparability of results of operations of different companies and the different methods of calculating Free Cash Flow reported by different companies. Free Cash Flow does not represent funds available for discretionary use because those funds may be required for debt service, land acquisitions and lease renewals, other capital expenditures, working capital, income taxes, exploration expenses, and other commitments and obligations.